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**MARYSVILLE MAN CONVICTED FOR FRAUDULENT RECEIPT
OF HURRICANE KATRINA DISASTER MONEY**

SACRAMENTO--United States Attorney McGregor W. Scott announced that former city of Marysville resident, JOHN P. HOUSLEY, 49, pled guilty today before United States District Court Judge Lawrence K. Karlton to fraudulently obtaining Hurricane Katrina disaster funds from the Federal Emergency Management Agency (FEMA).

This case was investigated by the Department of Homeland Security Office of Inspector General and the United States Postal Inspection Service.

In September 2005, Attorney General Alberto R. Gonzales created the Hurricane Katrina Fraud Task Force, designed to deter, investigate, and prosecute disaster-related federal crimes such as charity fraud, identity theft, procurement fraud, and insurance fraud. The Hurricane Katrina Fraud Task Force-chaired by Assistant Attorney General Alice S. Fisher of the Criminal Division-includes the FBI, the United States Inspectors General community, the United States Secret Service, the United States Postal Inspection Service, the Executive Office for United States Attorneys, and others.

According to Assistant United States Attorney Michelle Rodriguez, who is prosecuting the case, on October 18, 2006 JOHN P. HOUSLEY, CRYSTAL J. HOUSLEY, 27, and SHAWN R. CUDABACK, 26, were charged with conspiring to defraud the United States government, and making false claims to FEMA in connection with the alleged false claims for Katrina funds. Today, JOHN P. HOUSLEY admitted that in September and October 2005, he and his associates, executed a scheme to steal over \$6,000 in Hurricane Katrina disaster money by taking cash aid from FEMA, and signing documents certifying false information to FEMA.

On December 7, 2006 co-conspirator SHAWN R. CUDABACK pled guilty to conspiring to use the United States Mail to obtain Hurricane Katrina disaster money, and to making a false claim upon the United States, through FEMA. On December 19, 2006, co-conspirator CRYSTAL J. HOUSLEY similarly pled guilty. JOHN P. HOUSLEY is the third and final defendant convicted in the case.

JOHN P. HOUSLEY and SHAWN R. CUDABACK are both scheduled to be sentenced on March 20, 2007. CRYSTAL J. HOUSLEY is scheduled to be sentenced on February 27, 2007. The maximum penalty each defendant faces is 10 years imprisonment, restitution, and a fine of up to \$250,000. However, the actual sentence will be determined at the discretion of the court after consideration of the Federal Sentencing Guidelines, which take into account a number of variables, and any applicable statutory sentencing factors. Each defendant will also receive a three-year term of federal supervised release.

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